

LETTER TO SHAREHOLDERS

Dear Shareholders,

MLP can look back on an important and a very good year. In 2016 we concentrated on our efficiency drive, in 2017 on the separation of our banking and brokerage business and the realignment of our university segment – and 2018 was the year in which we embarked on the next stage of our continuing development. We met our financial targets, while at the same time investing heavily in future growth. Given the market in which we operate, our success in accomplishing both is a great achievement. My sincere thanks are due to all MLP consultants and employees.

We are now in the position that we were targeting when we set off on our new path back in 2005. MLP is a different company today, a new MLP. Our objective was to establish the Company on a significantly broader and more stable basis. The past twelve months have demonstrated that this was the right approach, confirming the proof of concept for our strategy of systematically diversifying our revenue base and making MLP less dependent on short-term market influences. A key indicator of this is the fact that we recorded growth in every single field of consulting and all parts of the Group in 2018.

As a strong group of companies, MLP

- has in the last few years developed new fields of consulting in occupational pension provision and real estate brokerage, as well as new client groups with FERl and DOMCURA.
- has recorded average growth of 12% per year since 2005 in the consulting fields outside the old-age provision area
- today has a very broad revenue base and a greater proportion of recurring revenue than ever before.

We have therefore made the ability to adapt one of our core competencies and realigned MLP. Complemented by our financial strength, this makes us very attractive to consultants in the market. In other words we have come through the last few years, which were admittedly not easy for the industry, as a relative winner.

MLP increased all its key ratios in 2018. Total revenue rose by 6% to € 666.0 million, which is the highest level in the Group structure since the sale of our own insurers.

Once again we succeeded in making our revenue base more balanced. The real estate business, which we have been strengthening since 2014, displayed the strongest growth for the second year in succession, with revenue up 44% to € 20.1 million. Revenue in the non-life insurance area rose by 10%. The MLP Group benefited from gains in private client business and the successful development of its DOMCURA subsidiary. In the wealth management area MLP saw growth for the ninth year in succession, with year-on-year growth of 6%. Together with strong MLP private client business, positive developments in all three core business fields at FERL – investment management, investment consulting and investment research – also contributed to this.

Moderate year-on-year growth was achieved in the loans and mortgages area with an increase of 5%, health insurance (4%) and the old-age provision (2%). In the old-age provision and health insurance areas we therefore performed very well – better than others in what remains a challenging market environment.

At € 46.4 million our EBIT is at the level of the previous year's operating EBIT, and thus well within the target corridor forecast at the start of 2018. The comparative figure, i.e. the operating result from the previous year, does not include one-off expenses of € 9.1 million incurred in connection with separating the banking and brokerage business. Group net profit rose to € 34.5 million in 2018.

The Executive and Supervisory Boards of MLP SE are proposing a dividend of 20 cents per share, the same as the previous year's total figure. In 2017 we paid out 16 cents of our disclosed Group net profit to our shareholders, plus an extra 4 cents as compensation for one-off expenses accrued in connection with separating our banking and brokerage business. At 63%, our pay-out ratio is within the corridor we announced. We are thus maintaining our consistent dividend policy for you, our valued shareholders.

But MLP has not only achieved growth in the here and now: we are investing heavily in our future. We did so in the past financial year, and we are doing so now. Expansion of our university segment represents a key growth lever in MLP's private client business. We are thereby strengthening two central value drivers in our business model: the acquisition of young consultants, and the acquisition of young clients. We invested around € 7 million in this area in the last financial year alone. Although taking these steps has limited our short-term earnings growth, it will allow us to tap significantly greater potential in the medium to long term.

Our investments are already leading to increasing consultant numbers. Indeed, the net increase of 19 consultants represents the first year-on-year growth since 2007. This is qualitative growth, as we are recruiting young consultants who fit in with our culture and our service commitment.

2019 will bring the initial benefits from another development that we initiated in the last few months, namely increasing the numbers of experienced consultants joining MLP. The increase in consultant numbers is a key component of organic growth, which itself is also right at the top of our management agenda in 2019.

Further important drivers include the continuous diversification of our revenue base and the ongoing process of digitalisation.

In the last few years we have taken some major steps in the field of digitalisation. In addition to digital facilities for prospects, clients and consultants, process improvements represent a significant focus in the ongoing process of digitalisation. This will help us make our infrastructure significantly more modular, thus making us more flexible for the future. The underlying objective of all these measures is to achieve an intelligent combination of face-to-face consulting and supplementary online services.

We have also taken major steps to diversify our revenue base, and we are continuing resolutely along this path. Key growth drivers in this regard will be real estate brokerage, non-life insurance and wealth management.

Together with organic growth, acquisitions also remain on the agenda. On March 19, 2019, we announced that we successfully concluded a purchase agreement via our subsidiary MLP Finanzberatung SE, in order to acquire a capital stake of 75.1 percent in DEUTSCHLAND.Immobiliengruppe in Hanover. MLP is thus strategically expanding its real estate business and adding real estate project development and management to the MLP Group's business areas. In terms of cost management, which represents the third focus of our management agenda, we have employed strict cost-control discipline over the past few years. We will continue along this path in the years to come, keeping regular costs on a tight rein – as this gives us the freedom to make important investments in the future.

All this – organic growth with a clear quality strategy, acquisitions and ongoing cost management – will help us to make MLP even more robust and resistant to market influences.

So what concrete expectations do we have for the financial year 2019? Following the increase recorded in the past year, we expect to see stable development in the old-age provision area, where occupational pension provision is likely to provide the greatest positive stimulus. The next stage of the legislation on strengthening occupational pension provision in Germany has come into force, requiring employers to pass on to their employees some of the savings they make from reduced social security contributions. Secondly, with our new employer portal we have established a service that represents a genuine USP, especially for small and medium-sized companies. We anticipate stable revenue in the health insurance area, and moderate growth in both wealth management and non-life insurance. Real estate brokerage is expected to deliver strong growth. Despite the significant gains made in the last two years, in absolute terms we are still at a low level in this young business segment – and client demand remains high because of the interest-rate situation.

Based on this revenue forecast and the anticipated development of costs, we expect to continue the trend recorded in recent years – generating another moderate increase in EBIT for 2019. It is important to remember, though, that we will be investing a further € 8 million in our new university segment in 2019. Although this may well limit our profit growth this year, it will lay a sound foundation for strong growth in the future.

We fervently hope that our shareholders will continue to accompany us on this journey. On behalf of the entire Executive Board I would like to thank you once again for the trust you have placed in us this year.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Uwe S. Schroeder-Wildberg', written in a cursive style.

Dr. Uwe Schroeder-Wildberg